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## ANNEX II

of the Commission Implementing Decision on the financing of the annual action plan in favour of Honduras for 2021

### Action Document for Cooperation Facility for Honduras

#### ANNUAL ACTION PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and action plans of Article 23 of NDICI-Global Europe Regulation.

## 1. SYNOPSIS

### 1.1. Action Summary Table

<b>1. Title</b> <b>CRIS/OPSYS</b> <b>business reference</b> <b>Basic Act</b>	<b>“Cooperation Facility for Honduras”</b> CRIS number: NDCI LA 2021/043249 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe)/ Overseas Association Decision/European Instrument for International Nuclear Safety Cooperation Regulation
<b>2. Team Europe Initiative</b>	<input checked="" type="checkbox"/> Not applicable <input checked="" type="checkbox"/> Supporting (inter alia) TEI.
<b>3. Zone benefiting from the action</b>	The action shall be carried out in Honduras
<b>4. Programming document</b>	MIP Honduras 2021 - 2027
<b>5. Link with relevant MIP(s) objectives/expected results</b>	The proposed Action intends to support the achievement of the specific objectives defined for the three priority areas of the MIP: Sustainable Management of Natural Resources and Climate Change; Employment, Decent Work and Growth; Rule of Law and Democratic Governance.
<b>PRIORITY AREAS AND SECTOR INFORMATION</b>	
<b>6. Priority Area(s), sectors</b>	CSO Support Measures and Cooperation Facility
<b>7. Sustainable Development Goals (SDGs)</b>	Main SDG (1 only): SDG Goal 1.b: “Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions”  Other significant SDG: Goal 17: “Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development”
<b>8 a) DAC code(s)</b>	Main DAC code 15000: Participation development/good governance Sub code 2: 15110: Public sector policy and administrative management 86.4% Sub code 1: 15150 : Democratic Participation and Civil Society 13.6%

	DAC code Priority Area 1: 312 - Forestry; 232 Renewable Sources DAC code Priority Area 2: 11330 - Vocational training; 25030 - Business development services; 32130 - small and medium-sized enterprises DAC code Priority Area 3: 15113 -fight against corruption; 15150, 15151 - vulnerable groups, especially women)			
<b>8 b) Main Delivery Channel @</b>	Channel 1: Central Government – 11001 Channel 2: Non-Governmental Organisations (ONG) and Civil Society - 20000			
<b>9. Targets</b>	<input type="checkbox"/> Migration <input type="checkbox"/> Climate <input checked="" type="checkbox"/> Social inclusion and Human Development <input checked="" type="checkbox"/> Gender <input type="checkbox"/> Biodiversity <input type="checkbox"/> Education <input checked="" type="checkbox"/> Human Rights, Democracy and Governance			
<b>10. Markers (from DAC form)</b>	<b>General policy objective @</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Nutrition @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation @	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>11. Internal markers and Tags</b>	<b>Policy objectives</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Digitalisation @ Tags: digital connectivity digital governance digital entrepreneurship job creation digital skills/literacy	<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>

	digital services		<input type="checkbox"/>	<input type="checkbox"/>
	Connectivity @ Tags: transport people2people energy digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
	Migration @ (methodology for tagging under development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities (methodology for marker and tagging under development)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Covid-19	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>BUDGET INFORMATION</b>				
<b>12. Amounts concerned</b>	Budget line(s): BGUE-B2021-14.020140-C1-INTPA Total estimated cost: EUR 11.0 million Total amount of EU budget contribution EUR 11.0 million This action is not co-financed			
<b>MANAGEMENT AND IMPLEMENTATION</b>				
<b>13. Type of financing<sup>1</sup></b>	<b>Direct management</b> through: - Procurement			
<b>14. Type of measure</b>	<input checked="" type="checkbox"/> Cooperation facility <input checked="" type="checkbox"/> Measures in favour of Civil Society			

## 1.2. Summary of the Action

The “Cooperation Facility for Honduras” will provide Support Measures to be implemented through three key components:

*Public Sector Institutional Strengthening* (€ 8.0 million) will support the definition and preparation of strong public policies to reinforce the impact and significance of the actions implemented in the Priority Areas of the MIP (independently of the aid modality). The Action will built on the positive experience of the previous phase of the Support Measures, called “MADIGEP” (MIP 2013-2020, 14 M€). It will also provide support in cross-cutting areas, notably on gender and climate. This Action will seek to further strengthen public institutions and increase transparency.

*Civil Society Strengthening* (€ 1.5 million) will support the civil society in Honduras through capacity development, structured policy dialogue and an enhanced enabling environment. This component will contribute to the implementation of the 2021-2027 EU Roadmap for Civil Society. It will also support coordination of activities implemented by CSOs under the bilateral programmes foreseen in the three priority sectors of the MIP.

*EU Strategic Communication and Public Diplomacy Actions* (€ 1.5 million) will expand and reinforce EU awareness, understanding and support in the country, including by promoting the Team Europe approach and initiatives. This component will also support public diplomacy needs by engaging with citizens, stakeholders, and influencers in Honduras to communicate and enhance full understanding of EU fundamental values, objectives and interests. It will also include a major public campaign aimed at ordinary citizens, with the objective of measurably increasing the profile, awareness, understanding and approval of the EU’s partnership with the country. All such campaigns will be data-driven, rigorously tracking hard KPIs that will allow content to be constantly adjusted in line with evidence of the material and approaches that resonate most successfully with the audience.

<sup>1</sup> Art. 27 NDICI

The Action represents a key instrument in promoting the EU's cooperation with Honduras, and reinforcing the image and perception of the EU as a credible, reliable and solid partner of all stakeholders in the country.

Furthermore, through the Support Measures specifically targeting the public sector, the EU will aim to strengthen and improve the functioning of the public administration and put in place a well-structured strategic capacity building process in particular strengthening gender sensitivity, results-oriented budgeting and planning, and enhanced transparency.

The Action will further reinforce EU relations with civil society stakeholders<sup>2</sup> in a context in which civic space is increasingly difficult, especially for voices criticizing the government. The proposed action intends to support and work in the three priority areas of the MIP, strengthening the coherence among its different sectors. It will contribute to achieving the specific objectives and outcomes for each priority area, notably by increasing institutional capacities, strengthening public policies, and consolidating an inclusive, participative and democratic environment for CSOs. It will also seek to support a more effective and efficient implementation of public policies so that the priority areas of the MIP attain maximum results, impact, and visibility.

Direct management is the proposed implementation modality, as it will guarantee EUD's leadership over the entire action and process.

## 2. RATIONALE

### 2.1. Context

Honduras is in the run-up to presidential, legislative and local elections, which are due to take place in November 2021. While several important reforms have been undertaken in recent years, such as the production of a new census with EU support, reforms to the electoral framework still fall short in significant areas. As such, considering the country's weak institutions, endemic corruption and the alleged irregularities already reported during this year's primary elections, there is cause for concern in the lead up to Honduras' elections. Tensions could rise in November if the new electoral institutions do not manage to deliver a clear and reliable election result within a reasonable time limit, giving rise to fraud allegations. This could potentially lead to social strife and violent protests, as was the case in 2017 following the presidential elections, which left some 30 dead. The EU will most likely deploy an Electoral Observation Mission to Honduras.

From an economic point of view, Honduras was hardly hit in 2020, by the COVID-19 pandemic, and by the dramatic impact of two back-to-back devastating hurricanes at the end of the year. The cumulative effects of these disasters provoked a substantial adverse impact on social and economic conditions in Honduras. Despite government and financial institutions' best efforts to mitigate the economic consequences of these crises, they nevertheless prompted a recession, which led to the GDP's contraction by approximately 10.0%. Public debt (internal and external) increased significantly from 49% of the GDP in 2019 to 59% in 2020. All this in a country where poverty is already widespread, with 61.9% of households affected, and 38.7% living in extreme poverty, and where inequality is among the highest in the continent (GINI Index: 0.51).

Considering the country's negative political and economic outlook, it is more important than ever that the EU stand ready to continue its cooperation in Honduras, and be ready to support the new incoming government in tackling some of the country's long-standing challenges as of 2022. Moreover, the preparation of an Action specifically linked to institutional strengthening and support to CSOs will send a strong signal regarding the EU's priorities during this pre-electoral period.

The Action ("Cooperation Facility for Honduras") is aligned with the United Nations Agenda 2030, and the 2018 European Consensus on Development. The action will contribute to SDG Goal 1.b: "Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions"; SDG Goal 5: "Achieve gender equality and empower all women and girls" and SDG Goal 17: "Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development".

<sup>2</sup> More than 20,000 CSO organisations are currently registered in Honduras, working across the human and economic development, human rights, fight against corruption, climate change and environment, child and youth rights, and decent employment sectors.

Taken as a whole, the Support Measures to be implemented during the 2021-2027 MIP represent a key instrument in promoting the EU's cooperation with Honduras, reinforcing the Institutions, the CSO's role and action in the democratic arena and reinforcing the perception of the EU as a credible, impartial, and solid partner of the country.

## 2.2. Problem Analysis

### Short problem analysis:

- Honduras, categorized as a lower middle-income country, has an estimated population of approx. 9.96 M inhabitants, predominantly young (39.7% of the total population are up to 19). With declining population growth rates (current fertility rate is 2.4 per women), the country is in the early stages of a demographic transition. It has benefitted from a steady GDP growth of 3.1-4.8 % per year in 2014-2019, followed by a strong decline in 2020, at -9.0%.
- Honduras is facing multiple challenges at political, economic and social levels. These were identified during the programming process:
- At political level, transparency of political parties, and guaranteeing fundamental freedoms are issues still to be approached and solved.
- Honduras suffers a very high level of corruption with collusion between economic and political sectors. The level of confidence and trust between the State, civil society, the political, and economic powers is being degraded year after year since 2009. Mistrust skyrocketed as a consequence of the bad management of the pandemic by the authorities.
- At economic level, instability is pointed at as a factor for low growth and insufficient poverty reduction. Key challenges include the absence of medium-term financial planning, off-budget expenditures, reduced fiscal space added to a high level of tax exemptions and lack of priority setting for investments. Honduras hasn't taken yet sufficient advantage of the Association Agreement and Central America could gain from a deeper regional integration.
- At social level, Honduras records high levels of poverty and is the only country in Latin America (with Mexico) where poverty has not decreased in the last years. Also, high levels of inequality and underemployment, even by Latin American standards, are evidenced by the highest Gini coefficient at continental level.
- Fight against violence to women are key issues in Honduras. According to the Centre for Women's Rights (Centro de Derechos de la Mujer – CDM), 95% of femicides committed between 2017 and 2020 remain in impunity. Honduras has the second highest femicides rate in Latin America (5.1 per 100,000 inhabitants).
- According to the UNDP (2018) the Gender Development Index is 0.611, and the Gender Inequality Index is 0.479. The gender gap is 27.8%. According to a study presented by UN Women and the Care Organization International at beginning 2021, the covid-19 pandemic and the devastating effects of tropical storms Eta and Iota have exposed the conditions of violence and vulnerability suffered by women and girls in Honduras.

### Regarding component 1:

- Insufficient capacity of the technical teams supposed to support decision making at political level, as well as insufficient availability of up-to-date and policy-oriented data in most sectors. A systemic capacity building policy and institutional strengthening (in particular in the field of planning, results-based planning and budgeting, transparency and accountability) should be reinforced and information tools developed to allow a rapidly and efficient analysis in key sectors.
- Through MADIGEP (support measures of former MIP), the EU accompanied successfully the implementation of solid reforms on planning and budgeting. However, this effort has to be pursued due to an incomplete result-based public value chains and budgets. Since 2015, the government of Honduras is implementing a systemic result-based planning through formulation of 45 Result-based Institutional Strategic Plans (41% of Central Government Institutions). In addition to the need to continue this effort, concrete actions must be developed for the deepening of results-oriented budgets and respective reporting, and for the integration of the gendered approach of state budgets.
- Except the Women Institute of Honduras, no sector has developed gender-sensitive policies, and only 5% of institutions of the Central Government produced a gender-sensitive Institutional Strategic Plan. As a consequence, Honduras' budgeting does not include gender-sensitive markers.
- Altogether, the success of the different public policies in Honduras in the coming years will depend on the capacity to reform the State for global strategic conduction and monitoring of the reconstruction post hurricanes and it faces huge challenges raised by COVID-19, not only as far as expenses (sector policies,

budgets, monitoring, accountability, purchases etc.) are concerned, but also in the field of incomes (reduced fiscal gaps, increased fiscal basis, reduced toxic tax exemptions, among other). The Fiscal Transparency Assessment led by the IMF on the basis of fiscal years 2017-2018 should be a key entry point to support PFM in Honduras.<sup>3</sup>

- Honduras' budget does not integrate climate budgeting markers.

#### Regarding component 2:

CIVICUS<sup>4</sup> states the public space for civil society as repressed. Civil society organizations in Honduras are concerned about the increased burden and stricter norms regulating their functioning and operations. These restrictive measures range from administrative and tax sanctions to restrictive and criminal procedures or violent attacks against CSO leaders, critical to government actions. This situation leads to the exclusion of many civil society organizations that lack an appropriate organizational and administrative structure to comply with all the requirements.

*The mains bottlenecks are:*

- Dispersed and restrictive regulatory framework. In Honduras, there are 17 general and 10 specific norms to govern civil society organizations. In addition to that, 7 institutions have a legal mandate to register, to authorize the organizations legal status, and establish its tax requirements, each with jurisdiction over a specific type of CSO.
- Rules penalizing critical voices. According to the Inter-American Commission on Human Rights and the Office of the High Commissioner for Human Rights in Honduras, these rules “may affect the right to protest and to defend human rights in the country, among others”.
- Weak institutional capacity, scarce personnel and budget to comply with the obligations derived from the legal-regulatory framework.
- Increasing tax controls and obligations and other measures regarding anti-evasion, money laundering and audit of accounts by the Superior Court of Accounts.
- Excessive and lengthy administrative procedures for the registration and authorization of operations.

#### Regarding component 3:

- In Honduras, fake news and disinformation can negatively influence the perception of citizen about EU actions in the country.
- Until 2020 the EUD to Honduras did not have a fully-fledged Political Section, thus limiting PD actions. The situation has been reversed in 2021 therefore reinforcing the future impact of PD initiatives.
- Despite the organisation of an important number a Public Diplomacy events during the last MIP period, those were concentrated on the geographical cooperation by mean of resources allocated in the framework of cooperation programmes.
- No resources were allocated to plan *long term* public diplomacy initiatives engaging with a selection of local target audiences, influencers and multipliers;
- Communication and visibility plans of the geographical and thematic programmes were not integrated in a long-term Public Diplomacy Strategic Plan.
- The EU in Honduras didn't yet take advantage of the Team Europe initiative and maintain weaknesses in the coordination with other partners, especially UN (e g Spotlight)

#### **Identification of main stakeholders:**

**In the framework of component 1,** Support Measures may target all government entities relevant for the implementation of the MIP. **In particular:**

- General Coordination of the Government (SCGG) for its attributions on planning, result-oriented budgets and monitoring and evaluation.
- Ministry of Finances (SEFIN) and Tax Administration Service (SAR).
- Ministry of Presidency (SP) and Ministry of Foreign and International Cooperation for public diplomacy.

<sup>3</sup> <https://www.imf.org/en/Publications/CR/Issues/2021/07/07/Honduras-Technical-Assistance-ReportFiscal-Transparency-Evaluation-461741>

<sup>4</sup> <https://civicus.org/state-of-civil-society-report-2021/>

- Ministry of Transparency (SDT), created at end 2020 is in charge of Transparency and accountability, of modernization and High Public Management School; *Tribunal Superior de Cuentas* which is the Supreme Audit institution.
- National Women Institute for gender mainstreaming.
- Ministry of Climate for climate-related aspects.

However, it is very likely that the government organisation chart will be reshuffled when the new government will take office in 2022. Then, the situation will be re-evaluated and possible adjustments proposed, if needed. .

The involvement of these key stakeholders in the programming process has fostered an early ownership and offers a platform to promote and launch new actions. This will allow effective policy dialogue, as evidenced by the EU's previous experiences with these institutions. Partnership between Honduran universities and academic institutions from the EU and Latin America will be promoted to support institutional strengthening.

**In the framework of the component 2**, main stakeholders are:

- Civil Society leaders with special focus on gender, human right, climate change, and labour approaches. Those can be key people, organisations, unions, academy, etc.
- NGO's direct/indirect beneficiaries/implementers of EU instruments: CSO, EIDHR etc.
- Ministry of Governance, Justice and Decentralization in charge of legal framework for CSOs and NGOs.
- The Non-Governmental Development Organisations (NGDO) registered<sup>5</sup> in the General Directorate of the Regulation, Registry and Follow Up of Civil Associations (DIRRSAC)<sup>6</sup>

In Honduras there are more than 20,000 CSOs regrouped in at least 11 categories established in the current legal framework. The largest number of CSOs are concentrated in four categories: Social Sector of the Economy, Local Economic Development Agencies (LEDAs), Religious Associations, and Water and Sanitation Administrative Boards.

Four main subcategories emerge: Foundations, Associations, International Non-Governmental Organizations (INGOs) and networks.

**In the framework of the component 3**, there is a wide universe of stakeholders, according to the target audience defined in a long-term Strategic Communication and Public Diplomacy Among others:

- Youth and Civil Society,
- Policy think tanks and academic representatives,
- Multipliers and influencers.
- Media
- Member States
- Other partners: UNDP, UN Women, IADB
- Private sector, unions
- Wider public, to be reached via targeted campaigns

These stakeholders are essential to increase the impact of long term Strategic Communication and Public Diplomacy initiatives which are key to build trust, enhance the understanding of the EU, support the implementation of our policy priorities, and ultimately, facilitate future cooperation across policy areas (incl. sectoral diplomacies such as economic diplomacy, climate diplomacy, cultural diplomacy, science diplomacy). These activities, to be drawn into a plan at the level of the Delegation, will include activities aimed at increasing awareness and communication of EU values, interests, Team Europe Visibility and actions including public outreach events and campaigns. The strategic plan will also integrate the political communication aspects financed under the Press and Information budget.

Strategic Communication and Public Diplomacy initiatives implemented through appropriate channels and partners will help to develop long term, strategic, and coherent approaches to foster, engage and mobilise networks of key

<sup>5</sup> Until 2017 amounted to 1,346, which is equivalent to 6.4% of the universe of civil society organizations that have legal status in the country.

<sup>6</sup> (DIRRSAC) for its acronym in spanish: Dirección de Regulación, Registro y Seguimiento de Asociaciones Cíviles

target audiences and potential partners such as youth, academics, influencers (e.g. media, think tanks, and business community), civil society, and cultural actors.

Building on current good practices, Strategic Communication and Public Diplomacy initiatives could also reinforce coherence and complementarity with the visibility budget of political and cooperation section at the EU Delegation and with the 'Team Europe' approach. Furthermore public diplomacy initiatives could be organised across EU institutions and with Member States.

### 2.3. Additional Areas of Assessment, for Budget Support Actions only

Not applicable.

## 3. DESCRIPTION OF THE ACTION

### 3.1. Objectives and Expected Outputs

The Overall Objective (impact) of this action is to contribute to the national objective of achieving an educated and healthy country, free of extreme poverty, displaying consolidated social welfare systems (as defined in National Development Plan and related to SDG 1.

The Outcomes corresponding to the three components of the Action are as follows:

1. *Public Sector Institutional Strengthening*: To build capacity for a more effective and efficient implementation of public policies to enhance results, impact and visibility of MIP focal sectors, with a special focus on supporting and accompanying the public sector and government initiatives in developing and improving among others gender/climate sensitive strategic plans and budgets.
2. *Civil Society Strengthening*: To contribute to strengthen the enabling environment for CSOs, and to increase CSOs capacity to access and engage in policy dialogue and oversight processes at all levels, especially in the EU's different priority areas of intervention.
3. *EU Strategic Communication and Public Diplomacy*: To expand and reinforce EU awareness, understanding and support in the country, including by promoting the Team Europe approach and initiatives.

The Outputs to be delivered by this action contributing to the corresponding outcome 1 are:

- 1.1 A well-structured and strategic capacity building process and public values chain facilitated.
- 1.2 Government accompanied to developing and improving gender sensitive strategic plans and budgets; the implementation of the GAP III through the Country Level Implementation Plan (CLIP) facilitated.
- 1.3 Preparation, implementation and evaluation of the EU's cooperation and Joint Programming.

The Outputs to be delivered by this action contributing to the corresponding outcome 2 are:

- 2.1 A conducive environment for CSOs in Honduras improved by means of the implementation of the EU Country Roadmap for the engagement with Civil Society for the period 2021 – 2027.
- 2.2 Civil Society's capacities for a meaningful participation in policy making, oversight, and watchdog role are strengthened at national and local levels. Their capacity to engage in a structured dialogue in public policies in the frame of EU areas of cooperation are strengthened.

The Outputs to be delivered by this action contributing to the corresponding outcome 3 are:

- 3.1 A strategic communication and public diplomacy facility will be put in place.
- 3.2 Structured policy dialogues at operational, technical and policy levels leading to policy reforms and engagement with governments and other stakeholders are reinforced.



### 3.2. Indicative Activities

#### Activities related to Output 1.1:

- Provision of long-term and short-term technical assistance (TA), specific studies, activities of dissemination, peer-to-peer training to support the processes of reform and modernization of the State, and the capacity of the government to improve decision making, analyse and prioritise public policies. Focus on result-oriented planning, budgeting and reporting, enhanced transparency, and domestic revenue mobilisation in complementarity with budget support actions in Honduras.
- Technical assistance to the beneficiary on drafting political statements on international commitments.
- Support to increase the quality of statistical information and analysis.
- Contribution to the realization of independent (repeat) assessments such as (repeat) PEFA, TADAT, PIMA, MAPS (integrating gender and climate modules when available), and TA to support and monitor the resulting actions plans.

#### Activities related to Output 1.2:

- Provision of trainings to mainstream gender approach into public value chains, policy making, planning and budgeting.
- Contribution to the realization of PEFA assessment gender modules and support and monitor the resulting action plan.

#### Activities related to Output 1.3:

- Technical Assistance to support the drafting of documents to be formulated in the framework of MIP 2021-2027.
- Trainings and specific studies to facilitate Joint Programming / Team Europe coordination at country level and support actualisation and implementation of Joint Programming since 2019.
- Technical Assistance to support authorities in formulating Budget Support actions and activities under the EFSD+.

#### Activities related to Output 2.1:

- Technical Assistance to support: a) the preparation and implementation of a strategy for the strengthening of the institutional and/or legal framework to facilitate and ease CSOs operation (mainly in the Ministry of Governance, Justice and Decentralization); b) the modernization and simplification of procedures of CSO registration, follow up, and accountability processes; c) the management of a web page for the visibility of strategic actions implemented by CSO through thematic programmes (EIDHR and CSO-LA).
- Design and implementation of a structured dialogue between CSOs, EU Member States and the international community (e.g. G-16), the GoH and other stakeholders to promote an enabling environment for CSOs.
- Support to the implementation of a strategic communication and visibility plan promoting a positive culture and recognition of the role of CSOs, dialogue, and accountability to promote public policies.
- Support and follow-up the action plan of the Roadmap for the EU's Engagement with CSOs 2021-2027.

#### Activities related to Output 2.2:

- Support the creation of a CSO Helpdesk to increase their capacities in areas such as coalition building/strengthening, networking, strategic communication, studies and thematic analysis, digitalization, among others.
- Technical and logistical coordination of events, workshops, and meetings related to the objectives of participation and dialogue of the CSOs in the priority sectors of the MIP, the CSO Roadmap or other area of EU intervention in the country in order to strengthen technical capacities (e.g.: dialogue, oversight, advocacy, negotiation skills, conflict resolutions, and networking)
- Support digitalization of CSOs, use and application of digital platforms for communication or training purposes with emphasis on the integration of youth and women.
- Support CSO's in the production of quality position papers.

#### Activities related to Output 3.1:

- Design and roll out at national level of (a) major public campaign(s) aimed at ordinary citizens, with the objective of measurably increasing the profile, awareness, understanding and approval of the EU's partnership with the country. All such campaigns will be data-driven, rigorously tracking hard KPIs that will allow content to be constantly adjusted in line with evidence of the material and approaches that resonate most successfully with the audience.
- Promote understanding and awareness of the Union's values, interests and specific policies, including human rights, foreign and security policy, science and research, gender equality, Team Europe visibility, fight against disinformation, as well its multilateral agenda.
- Strengthen networks and long-term relationships with key target audiences and partners (e.g. youth, students, academics, think tanks, CSOs, business, creative industries), including leveraging existing EU programmes, in order to facilitate future cooperation across policy areas.

#### Activities related to Output 3.2:

- Organisation of structured policy dialogues and round tables between the government and EU and Member States on cooperation issues to a) revision of programmes' portfolio UE/MS at technical level; b) identify and coordinate technical assistance missions, studies, etc. At political level, to discuss and orient the relationship between the EU and the Government of Honduras.

### 3.3. Mainstreaming

#### **Environmental Protection & Climate Change**

By accompanying actions of Priority Area 1, the action will contribute to EU objectives in terms of support for biodiversity and/or climate change policies. The EIA (Environmental Impact Assessment) screening is therefore category C (no need for further assessment).

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#### **Gender equality and empowerment of women and girls**

As per OECD Gender DAC codes, identified in section 1.1, this action is labelled as G2. This implies that by its very nature, the Action includes objectives and activities with a rights based and gender mainstreaming approach. Particular emphasis will be placed on implementing the GAP III Country Level Implementation Plan for Honduras and mainstreaming gender across the three focal sectors and youth participation at all levels of the interventions. The Action will also ensure that themes such as climate change, green recovery and economy, the promotion and respect of human rights and digitization are also taken into account in the formulation and implementation of other programmes foreseen in the framework of MIP 2021 – 2027.

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#### **Human Rights**

The Action aims at improving human rights in Honduras without discrimination of any form. The support measures will play a role of fundamental vigilance so that all interventions will duly take into account the promotion and respect of human rights. For that, the implementation and follow-up of the Human Right Promotion Strategy formulated in 2021 will be a key instrument.

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#### **Disability**

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D0.

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#### **Democracy**

Through component 2, the action aims to strengthen participatory and inclusive democracy in Honduras. The specific objectives are to increase the CSO's capacity to engage in the policymaking processes at all levels linked to sustainable development and active citizenship participation in the democratic process.

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**Conflict sensitivity, peace and resilience**

By including strong policy dialogue at all levels, and by supporting gender mainstreaming at institutional level as well as greater capacity and spaces for CSOs, the Action points at mitigating conflict sensitivity issues related to EU engagement and potential unintended negative impacts in order to enhance societal and state resilience.

**Disaster Risk Reduction**

Not applicable

**Other considerations if relevant**

Not Applicable

### 3.4. Risks and Lessons Learnt

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures
1. Planning, processes and systems	Risk 1: Honduras suffers from weak governance and insufficient financial and technical resources for the implementation of sector policies, as well as a lack of adequate consideration to the gender approach in policymaking processes.	<b>H</b>	<b>H</b>	The EU will reinforce policy dialogue in the priority areas of MIP and in public financial management and domestic revenue mobilization. The EU and MS will establish strategic partnerships with national institutions and other donors to support increased transparency and the allocation of sufficient resources to key sectors. Finally, the EU will promote structured, high profile, political dialogue with the Honduran institutional counterparts to follow up on agreed priorities or results.
2. Legality and regulatory aspects	Risk 2: The Honduran government and relevant institutions show a reduced political will and commitment to support an enabling environment for CSOs to act and play their democratic role.	<b>H</b>	<b>H</b>	This long-term EU programme will aim to ensure continuous support to enhance the CSO legal framework and reinforce the capacity of CSOs at technical, organizational and administrative levels to advocate and dialogue with the Government.
3. Risks related to the COVID 19 pandemic	Difficulties of working with ministries and CSOs	<b>M</b>	<b>M</b>	The reinforcement of digital communication will allow a reasonable exchange with all partners
4. Risks related to elections	Pre and post electoral violence, fairness and transparency of the process, etc.; increased threats and killings of social and political leaders	<b>H</b>	<b>H</b>	The EU Election Observation Mission conclusions and recommendations will be the entry point to design new actions and to strengthen political dialogue on this point.

**Lessons Learnt:**

Evaluations and monitoring missions of the previous Support Measures programme in Honduras (“MADIGEP”, MIP 2014-20), evidenced the impact of the EU support in three key areas:

- Improving planning, so as to better take into account gender, climate and poverty disparities, for instance by integrating gender across the entire public value chain or by supporting updates to the Multi-Dimensional Poverty Index, in order to better target poor-oriented public policies at local level.
- Reinforcing public financial management (PFM) and domestic revenue mobilization (DRM), by supporting independent assessments such as the Public Expenditure and Financial Accountability (PEFA) and Tax Administration Diagnostic Assessment Tool (TADAT), among others.
- Coordination of donors in Honduras<sup>7</sup> (across thematic roundtables) and institutionalisation of structured policy dialogues at operational, technical and policy levels.

We expect the new Action to build on these areas for maximum impact. Moreover an early implementation of this Action will ensure continuity in the support to institutional strengthening from the start of the 2021-2027 MIP.

**Regarding Civil Society:**

- Although several support measures to CSO were planned and implemented in various calls for proposals, the lack of coherence and dispersion of activities undermined the possibility to establish a clear and effective long term strategy in supporting the civil society.
- As most of the interventions aimed at supporting NGOs, several other CSO organisations were left aside.

The current action in support to CSO will take these experiences into account, to develop a wide encompassing and inclusive strategy and actions in support to the different actors of the civil society.

**Regarding Strategic Communication and Public Diplomacy:**

- Through the structured dialogue established in the framework of MADIGEP and its dedicated Steering Committees on cooperation programmes, the EUD built a strong public diplomacy action. However, this was essentially oriented to cooperation priorities.
- Analysis and discussions pointed out the need to have a more articulated, professional and structured PD, aimed at elaborating strategies and initiatives not only restricted to cooperation activities. The “political dimension” of PD becomes a necessity to promote the EU image and values.
- Visibility was essentially linked to specific cooperation programmes or projects. The mid-term review of MADIGEP highlighted the structural weakness of these visibility and communication contracts. Strategic Communications will be outlined in a plan to be drawn up by the Delegation.

The proposed Strategic Communication and Public Diplomacy component will facilitate a more solid and articulated strategy and a closer integration of Commission and EEAS actions.

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<sup>7</sup> Most donors active in Honduras have gathered in the “G-16” group in order to harmonise activities and interventions. The EU seeks to coordinate most closely with MS present in the country (ES, DE) as well as with the World Bank, the Inter-American Development Bank, and the UN system (UNDP)

### 3.5. The Intervention Logic

The underlying intervention logic for this action is to support the EU-Honduras partnership and it is based on some general assumptions:

The new incoming government (as of 2022) will confirm long-term priorities established in the National Plan, and refrain from prioritizing short-term non sustainable programmes. Across public policies, it is also assumed that the new Administration will continue to mainstream and prioritize gender and human rights and meaningfully engage with CSOs. On the other hand, the EU will establish a solid, coherent, and sustained strategy for communication, visibility, and public diplomacy.

The intervention logic is based on the fact that by:

- Providing, as a continuation and improvement of the solid support carried out through MADIGEP (MIP 2013-2020), long and short-term Technical Assistance and studies and implementing a continuous policy dialogue from the start of the implementation, in a timely, orderly, result-oriented, and concerted manner with the Government and other key stakeholders;
- defining a long term strategy establishing priorities for each CSO's category with the representatives of Civil Society, key NGOs stakeholder, and related Ministries (Decentralization Ministry, Woman National Institute); and
- articulating the EU Strategic Communication and Public Diplomacy within the EUD (Cooperation Section and Political Section) and outside (EUD + MS) on a long-term strategic horizon
  - Then: the action will contribute directly to strengthen the public sector by building capacity for a more effective and efficient implementation of public policies so that the focal sectors of the MIP reach maximum results, impact, and visibility, with a special focus on supporting and accompanying the public sector and government in developing and improving gender sensitive strategic plans and budgets;
- the Civil Society will be strengthened by improving the enabling environment for CSOs, increasing CSOs capacity to access and engage in policy dialogue and oversight processes at all levels, especially in the EU's different priority areas of intervention;
- the EU's role as a key cooperation actor and a key interlocutor on policy and political aspects for authorities and Civil Society in Honduras will be durably consolidated.

Thus, the action will enable the EU to reach the expected outcomes of the MIP and to contribute to the national objective of achieving an educated and healthy country, free of extreme poverty, displaying consolidated social welfare systems, as defined in National Development Plan and related to SDG 1.

### 3.6. Logical Framework Matrix

N/A

## 4. IMPLEMENTATION ARRANGEMENTS

### 4.1. Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the partner country.

### 4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 66 months from the entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

### 4.3. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>8</sup>.

#### 4.3.1. Direct Management (Procurement)

This call is intended to be launched during the last term of 2021 under a suspensive clause. This is justified because the support measures contract for MIP 2013-2020 (MADIGEP) will be achieved in January 2022. It is essential to maintain the continuity between the two programmes for successive MIPs. The Support Measure Programme will coincide in time with the entry into force of the new government, in 2022.

For outcome 1 (Public Institutional Strengthening) and 3 (Strategic Communication and Public Diplomacy) a call for tender will be launched to identify the best service provider. Through Technical Assistance, this will contribute to strengthen public policy, especially when it comes to National Budget, Domestic Revenue Mobilisation and gender sensitive public value chain. The TA contract will be a key instrument to support the implementation of MIP at formulation level, to organise and monitor the structured policy dialogue and public diplomacy. At least 15% of the available budget will be earmarked to finance fully or in part studies, reviews, and evaluations under international methodologies approved by UN system, FMI and or UE (as TADAT<sup>9</sup>, PEFA<sup>10</sup>, HDI<sup>11</sup>, EITI<sup>12</sup>, MPI<sup>13</sup> etc.). In order to maintain the coherence of EU operations, Joint Programming interventions, and Team Europe Initiatives, the contract will include a specific share on strategic communication and public diplomacy, for at least 15% of the contract amount

For outcome 2 (Civil Society Strengthening), a call for tender will be launched to identify the best service provider. A specific contract is justified because it is essential to separate the decision making for actions with civil society due to the high level of potential conflicts between governmental authorities and Civil Society's representatives. Through Technical Assistance, the contract will contribute to enable a conducive legal environment for CSO's and to reinforce

<sup>8</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu). Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

<sup>9</sup> Tax administration Diagnostic Assessment Tool

<sup>10</sup> Public Expenditures and Financial Accountability

<sup>11</sup> Human Development Index

<sup>12</sup> Extractive Industry Transparency Initiative

<sup>13</sup> Multidimensional Poverty Index

the complementarity between the geographic cooperation and the thematic cooperation. The call for tender will be launched tentatively the first semester of 2022.

#### 4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realization of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

#### 4.5. Indicative Budget

<b>Indicative Budget components</b>	<b>EU contribution (amount in EUR)</b>
<b>Implementation modalities – Direct Management</b>	
<b>A- Call for tender, Component 1 and 3:</b> Outputs 1.1, 1.2, 1.3, 3.1 and 3.2	<b>9 100 000</b> <i>(of which 1.8M for Strategic Communication and Public Diplomacy)</i>
<b>B- Call for tender, Component 2: Civil Society Strengthening</b>	<b>1 500 000</b>
<b>Call for tender– total envelope under section 4.3.1</b>	<b>10 600 000</b>
<b>Mid-term and final evaluation (all components) – cf. section 5.2</b>	<b>200 000</b>
<b>Contingencies</b>	<b>200 000</b>
<b>Totals</b>	<b>11 000 000</b>

#### 4.6. Organisational Set-up and Responsibilities

**For component 1:** a Technical Committee (TC) and a Steering Committee (SC) will be set up.

Technical Committee: the EU Delegation (Head of Cooperation) and the Government (General Coordination of Government) will assume the leadership. The Ministry of Finances, the Income Administration Service, and the Ministry of Foreign Affairs are members of the TC and are represented by Vice Ministers and/or Directors. The main function of the TC is to channel demands from Delegation and Governmental Institutions to prioritise those activities that fit with the outputs and outcomes of the programme, to guarantee the monitoring of the actions and suggest to the SC strategic and orientations or re-orientations. At least 4 committees/year will be organised.

Steering Committee: the EU Delegation (Head of Mission) and the Government (General Coordination of Government) will assume the leadership. The Ministry of Finances, the Income Administration Service, and the Ministry of Foreign Affairs are members of the TC and are represented by Ministers. The main function of the SC is to approve (or refuse) demands from Delegation and Governmental Institutions and decide on strategic and orientations or re-orientations. At least 2 committees/year will be organised.

In addition to that, The Ministry of Foreign Affairs will lead with the Delegation an operational Committee to review the EU portfolio and propose eventual adjustments to the financing agreements or operational plans for the EU programmes and projects. At least 2 operational committees/year will be organised.

For component 2, under the leadership of the EU Delegation, a Think Tank Committee will be created. NGO and Civil Society representatives will be invited according to an agenda defined by the EU Delegation. State Organisations Representatives should be invited according to the agenda. The Committee will meet at least 2 times/year.

For component 3, the EU Delegation through coordination between the operational and political sections will guarantee the implementation of the strategic communication and public diplomacy actions.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission will participate in the above governance structures set up for governing the implementation of the action.

## 5. RFORMANCE MEASUREMENT

### 5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support).

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

- Reports shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action.
- The final report, narrative and financial, will cover the entire period of the action implementation.

### 5.2. Evaluation

Having regard to the importance of the action, a mid-term and final evaluation(s) will be carried out for this action or its components, via independent consultants contracted by the Commission.

The mid-term evaluation will be carried out for problem solving, learning purposes, in particular with respect to the implementation of activities linked with gender sensitivity and communication.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that support measures are a key instrument to improve the efficiency, effectiveness and alignment of the EU operations.

The Commission shall inform the implementing partner at least 6 months in advance of the dates envisaged for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination<sup>14</sup>. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Evaluation services may be contracted under a framework contract.

<sup>14</sup> See best [practice of evaluation dissemination](#)



### 5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

## 6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

The 2021-2027 programming cycle will adopt a new approach to pooling, programming and deploying strategic communication and public diplomacy resources.

Regional and global strategic communication and public diplomacy funds will be managed from headquarters.

At country level, action documents for specific sector programmes are no longer required to include a provision for communication actions promoting the programmes concerned. These resources will instead be consolidated in Cooperation Facilities established by support measure action documents, allowing Delegations to plan and execute multiannual strategic communication and public diplomacy actions with sufficient critical mass to be effective on a national scale.

To that end, Delegations will first develop short strategic communication and public diplomacy plans that reflect the objectives of the Delegation as a whole in this domain, initially covering the period up to the Mid-Term Review (MTR). The plans will be endorsed by a coordination mechanism comprised of the EEAS, DG INTPA, DG NEAR and FPI, and will be reviewed, modified and extended as appropriate as part of the MTR process.

Indicatively, the key elements of the Strategic Communication plan are :

1. Audiences targeted: Youth and Civil Society, Policy think tanks and academic representatives, Multipliers and influencers, Media, Member States, Other partners (UNDP, UN Women, IADB), Private sector, unions, wider public, to be reached via targeted campaigns.
2. The main outcome is to increase public awareness, understanding and approval of the EU and its role in Honduras, the region and the world. For each group targeted, the principal communication objective will be couched in terms of measurable outcomes according to a long term strategic plan for strategic communication that will be design before launching the related call for tenders for procurement. Design and roll out at national level of (a) major public campaign(s) aimed at ordinary citizens, with the objective of measurably increasing the profile, awareness, understanding and approval of the EU's partnership with the country. All such campaigns will be data-driven, rigorously tracking hard KPIs that will allow content to be constantly adjusted in line with evidence of the material and approaches that resonate most successfully with the audience.
3. Actions related to Strategic Communication and Public Diplomacy in Honduras will promote understanding and awareness of the Union's values, interests and specific policies, including human rights, foreign and security policy, science and research, gender equality, Team Europe visibility, fight against disinformation, as well its multilateral agenda. Through a strategic plan, they will ensure coherence with the geographical and thematic programmes.
4. Preliminary suggestions for content (messages, straplines, hashtags), partnerships (influencers) and channels: to be defined further.

It is envisaged that for the amount for Strategic Communication and Public Diplomacy, included in the procurement for Component 1 and 3 of Support Measure is 1.5 to 1.8 M€

## APPENDIX 1 REPORTING IN OPSYS

<b>Option 1: Action level</b>		
<input type="checkbox"/>	Single action	N.A.
<b>Option 2: Group of actions level</b>		
<input type="checkbox"/>	Group of actions	N.A.
<b>Option 3: Contract level</b>		
<input checked="" type="checkbox"/>	Single Contract 1	Outcome 1 and 3: Foreseen procurement: 9 100 000
<input checked="" type="checkbox"/>	Single Contract 2	Outcome 2: Foreseen procurement : 1 500 000
<input checked="" type="checkbox"/>	Single Contract 3	Mid-term evaluation: Foreseen 2 framework contracts: 100 000
<input checked="" type="checkbox"/>	Single Contract 4	Final evaluation: Foreseen framework contract: 100 000